

IDAHO REAL ESTATE APPRAISER BOARD
Division of Occupational and Professional Licenses
P.O. Box 83720
Boise, ID 83720-0063

Conference Call Minutes of 6/17/2020

BOARD MEMBERS PRESENT: H Scott Calhoun - Chair
Brent Lee Stanger
B Jane McClaran
Eric J Brinton
Paul J Morgan

DIVISION STAFF: Susan Buxton, Interim Division Administrator
Dawn Hall, Deputy Division Administrator
Nicholas Krema, General Counsel
MiChell Bird, Section Chief
Cesley Metcalfe, Board Specialist

OTHERS PRESENT: Misty Lawrence, Senior Financial Management
Analyst-Idaho Division of Financial Management
Hayden Rogers, Special Assistant for Intergovernmental
Affairs-Idaho Office of the Governor

The meeting was called to order at 12:00 PM MDT by H Scott Calhoun.

BOARD BUDGET

The Board had a lengthy discussion about the possibility of purchasing the 2022-2023 USPAP publication for all Idaho licensed appraisers as an option to reduce the Board's free fund balance. Mr. Calhoun stated that it was the Board's intention in December 2019 to purchase the 2020-2022 USPAP publication for licensees, but that the Board was unable to proceed because the purchase was not budgeted.

Ms. McClaran stated that the two issues that prevented the Board from purchasing the 2020-2022 USPAP publication were that the item wasn't budgeted, and that by the December 9, 2019 meeting when the idea was discussed, most appraisers would have already purchased the publication. Ms. McClaran further stated her belief that both issues could be resolved by requesting appropriations in the 2022 fiscal year budget to purchase the 2022-2023 USPAP manual for Idaho real estate appraiser licensees.

Ms. Lawrence explained the budget process to the Board and stated that an advisory memo and the budget manual will be released soon. Ms. Lawrence advised the Board that it may be a difficult year to receive approval for additional appropriations

that are nonessential for Boards to fulfil their missions of regulating licensees to protect the public.

Mr. Calhoun stated that the Board operates on dedicated funds derived from fees paid by Idaho real estate appraisers and applicants and does not draw from the general fund. Mr. Calhoun added that the Board is trying to reduce its free fund balance in a business-friendly manner by supplying the USPAP publication to Idaho licensed real estate appraisers. Mr. Calhoun asked if dedicated fund agencies will receive the same counsel as general fund agencies.

Ms. Lawrence stated that based on the current economic condition of the State, cash flow for dedicated fund agencies may be temporarily affected for the next two to five years. Ms. Lawrence further stated that dedicated fund agencies will not be affected by the current five percent holdback request for general fund agencies, but that all agencies are advised to not request line items that are unrelated to essential business operations. Ms. Lawrence added that the recent one-time renewal fee reduction approved by the Board is an appropriate way to reduce excess funds, but that if the Board's revenue stream is severely decreased by additional economic factors, the Board may find itself with a deficit. Ms. Lawrence also stated that it is atypical for Boards to purchase items for registrants, and that it is more appropriate to provide access to business items, such as a link on the website.

Mr. Calhoun stated that a link to the USPAP publication was added to the Board's website, but that it was not available prior to the date that it became effective or prior to the date when most licensees would have taken the required USPAP update course.

Ms. McClaran stated that the Board can purchase the USPAP publication for reduced fee that is unavailable to individual licensees.

Ms. Lawrence stated that it would make more sense for the Board to purchase the USPAP publication and sell it to the licensees at the reduced price, which would require a rule change. Ms. Lawrence further stated that it is the licensee's professional responsibility to know the codes under which they are required to operate and that the Board may set a precedence by providing the publication.

Mr. Rogers stated his belief that it would be pertinent for the Board to wait for forthcoming guidance from the Legislative Services Office (LSO) and Division of Financial Management (DFM) regarding the rules and parameters of the fiscal year 2022 budget.

Mr. Calhoun stated that the Board wanted to provide the USPAP publication to licensees in 2019 but was unable to because it was not a budgeted item. Mr. Calhoun added that the Board is just trying to make this a budgeted item and understands that it may not ultimately be approved.

Mr. Brinton stated that he is in support of providing the USPAP publication to the licensees to support them by making their jobs easier.

Mr. Morgan stated that he is in support of providing the USPAP publication to the licensees as a benefit to all Idaho appraisers.

Mr. Stanger stated that he is in support of providing the USPAP publication to the licensees because it is the standard to which the Board holds its licensees.

Mr. Krema reminded the Board that its fundamental responsibility is not to support the licensees, but to protect the public. Mr. Krema stated that it is a licensee's responsibility to educate themselves on the laws and rules that regulate their profession. Mr. Krema further stated that he is concerned that the Board would set a precedence by providing the USPAP publication for only one year.

Ms. McClaran made a motion for the Board to authorize a request of a line item for the fiscal year 2022 budget for \$40,000.00 for the issuance of the 2022-2023 USPAP manual to be distributed to non-temporary appraiser licensees and registered trainees. It was seconded by Mr. Brinton. All parties wished that their vote be recorded. The vote was: Mr. Stanger, aye; Ms. McClaran, aye; Mr. Brinton, aye; Mr. Morgan, aye; and Mr. Calhoun, aye. Motion carried.

The Board discussed the need to draft correspondence to accompany the USPAP publication that emphasizes that the publication will be provided only one time.

ADJOURNMENT

Ms. McClaran made a motion to adjourn the meeting at 12:55 PM MDT. It was seconded by Mr. Stanger. Motion carried.

H Scott Calhoun, Chair